

Clyde Kersey

State Representative • District 43



Spring, 2000

Dear Friend,

Many of you have written or called requesting a summary of new laws impacting senior citizens and their families.

This mailing reviews several programs and tax deductions, as well as state laws which affect senior citizens. These programs contribute positively to the quality of life of Indiana seniors.

Please write my office or call toll-free 1-800-382-9842 if you have any questions or comments regarding this mailing or any other state government matter.

Sincerely,



Increasing CHOICE coverage

Indiana provides CHOICE in-home services like health care, home cleaning, nutrition, and transportation to permit people who are elderly or disabled to remain in their homes instead of being forced into a nursing home.

CHOICE services are provided free to persons with incomes under 150% of the federal poverty level and on a sliding scale for persons with incomes up to 350% of the poverty level.

The CHOICE program is a cost-efficient program for the state. The average cost per month for services is about \$600, while the same cost to the state under Medicaid for intermediate nursing home care is over \$2,300.

In the two-year state budget passed in 1993, the CHOICE program received \$21.3 million per year. In the most recent biennial state budget, \$42.6 million was appropriated for CHOICE services each year.



Tax Cuts for Senior Citizens

During the 1999 session, the General Assembly enacted a package of tax cuts.

One of these cuts increased the *income tax deduction* for most seniors from \$1,000 to \$1,500. Each qualified taxpayer may take this deduction — meaning married couples may now deduct \$3,000 from their adjusted gross income.

Many seniors also received an increase in the *property tax deduction* from \$1,000 to \$2,000.

The legislature also established a new state income tax deduction for the amount of *long-term health care insurance premiums*.

As well, *homeowners* received a deduction. Property taxes on a taxpayer's principal place of residence can be deducted up to \$2,500. The deduction for *renters* increased from \$1,500 to \$2,000.

Legislation benefits seniors

\$20 million for prescription drugs -- Senior citizens on lower incomes should not have to choose between buying food or the prescription drugs they need to remain healthy. Thanks to the legislation allocating money from the national tobacco settlement, they won't have to make that decision.

The final bill includes \$20 million to help senior citizens on lower incomes purchase prescription drugs. From my visits around the district, this is one of the most pressing concerns among older Hoosiers.

Since health care was one of the priorities for spending tobacco settlement funds, I believe it was important to help seniors get the drugs they need to avoid their illnesses.

Personal Needs Allowance -- The General Assembly increased the monthly personal needs allowance from \$35 to \$50. The personal needs allowance covers individuals who enter medical treatment facilities in which more than half their bills are paid by either Medicaid or their private insurance.

The allowance is designed to help patients pay for those amenities that give them a measure of personal dignity. While the allowance usually is used to help buy toiletries like shaving cream and toothpaste, it also can buy cards for birthdays and Christmas and other things that help patients carry on contact with relatives and other people.

Nursing Homes -- New legislation addresses concerns regarding the staffing of nursing homes. Under the law, the patient or a person designated by the patient may request information that lists the names of all nursing personnel on each shift and the supervisor for that shift.

A notice to inform people about the new law will be posted in a conspicuous place in all Medicaid certified facilities. Having this information will hopefully result in more accountability for the nursing homes and enable the patients and their families to make more informed decisions.



Rep. Kersey with Gov. Frank O'Bannon.

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Call toll-free: 1-800-382-9842

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